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MBAH 551

IV Semester M.B.A. Degree Examination, May/June 2019

BUSINESS ADMINISTRATION

Strategic Management

Time : 3 Hours]

[Max. Marks : 70

SECTION – A

**Sri Dharmasthala Akkamaheshwara
College of Business Management, Mangalore
Post Graduate Centre for Management
Studies and Research Library**

(Compulsory)

Answer to the question should not exceed 6 pages. **(1 × 15 = 15)**

1. "The attainment of an appropriate fit between an organisation's environment and its strategy, structure and processes has positive effects on the organisation's performance". Critically analyse.

SECTION – B

Answer **any five**, each question carries **8** marks. Answer to each question should not exceed 5 pages. **(5 × 8 = 40)**

2. How does strategic management typically evolve in a corporation?
3. According to Porter, what determines the level of competitive intensity in an industry?
4. What is the relevance of the resource based view of the firm to strategic management in a global environment?
5. Explain Porter's Generic Competitive Strategies with suitable examples.
6. What are the trade-offs between an internal and an external growth strategy? Which approach is best and why?
7. Compare and contrast SWOT analysis with Portfolio analysis.
8. How is the cellular organization different from the network structure? Explain.
9. Explain the strategic evaluation and control technique.

**SECTION - C****(Compulsory)**

Answer to the question should not exceed 6 pages.

(1 × 15 = 15)

10. Case analysis :

In 1994, Nokia entered the Indian market. Nokia India operated as a Subsidiary of Nokia Corporation. In 1995, the first mobile phone call in India was made through the Nokia network and on a Nokia handset. In order to have a better understanding of the Indian market, the R & D Centre was established in 2001. Nokia ruled the roots in the Indian mobile handset market. It launched several products specifically for the Indian market. One such highly popular product was the Nokia 1100, which had a flashlight built in, considering the erratic power supply situation in the country. Nokia also developed a wide distribution network, which helped it reach every nook and corner of the country.

Though Nokia was doing well, the early signs of the competition catching up emerged in 2004 when the company reported that though it was the largest mobile handset manufacturer in the world, its share was going down. By 2007, US-based Apple launched its first generation iPhone. The iPhone marked a breakthrough in smartphones and the iOS, a full touch screen app-based operating system, changed the way phones were being used.

Even when it decided to do away with Symbian in 2011, Nokia opted to go with Microsoft's operating system Windows Phone 7 OS for smartphones. Incidentally, that was the time when other handset manufacturers like HTC were shifting from Windows to the Android platform. Many observers believed that this was a defining moment for Nokia and resulted in its subsequent fall.

Nokia's global saga impacted its Indian operations too. Though it had launched several products particularly for the Indian market, it ignored several emerging trends in the market like dual SIM phones, and continued to launch phones with a single SIM. In 2008, Micromax, a local company, launched its dual SIM phones in the market, and these grew highly popular.



In 2013, Nokia launched an Android powered N1 Tablet, the manufacturing of which was licensed to a Chinese manufacturer, Foxconn. At that time, a Nokia spokesperson said that if the right partner was available, it would venture into smartphones, but it would happen only after 2016, after the agreement with Microsoft, which restricted it from entering the mobile phone business, came to an end. Again, in June 2015, the CEO of Nokia, Rajeev Suri, announced that Nokia was planning to return to mobile phones.

With HMD setting its sights on making Nokia a prominent player in the global mobile handset market once again, it started looking at India, once its key market, with renewed interest. Within a few months of the announcement of the launch of Nokia, HMD announced that 37% of registrations for Nokia phones and 30% of all the traffic on its global website were from India. HMD found that there was 95% awareness about Nokia in India and that smartphone users were willing to give Nokia another chance.

Soon after its launch, Nokia 3 became highly popular in India. It was launched a month before the other Nokia's smartphones and received good reviews from customers. Due to high demand, its production had to be increased. The subsequent phones also received positive feedback.

Nokia faced several challenges too. On the distribution front it needed to ensure availability through both online and offline channels. Over the years, e-commerce had become a channel of preference, especially for smartphone buyers, in the Tier I and Tier II cities, where needed to create a presence.

Questions :

- (a) What are the main reasons for the fall of mighty corporations and the stages a company goes through before failure?
- (b) Analyse how companies can be brought back from failure.
- (c) Examine the strategies that MNCs can follow in emerging markets.
- (d) What are the challenges faced by companies re-entering a market from which they made an exit?